

Message Text

CONFIDENTIAL

PAGE 01 ANKARA 09808 191623Z

41

ACTION EUR-12

INFO OCT-01 ISO-00 AEC-05 AID-05 CEA-01 CIAE-00 CIEP-01

COME-00 DODE-00 EB-07 FEAE-00 FPC-01 H-01 INR-05

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01

OES-03 SP-02 SS-15 STR-01 TRSE-00 FRB-01 PA-01

USIA-06 PRS-01 /087 W

----- 114445

R 191506Z DEC 74

FM AMEMBASSY ANKARA

TO SECSTATE WASHDC 7271

INFO AMCONSUL ISTANBUL

AMEMBASSY LONDON

C O N F I D E N T I A L ANKARA 9808

E.O. 11652: GDS

TAGS: BGEN, ENRG, TU

SUBJ: TURKISH PRICE FOR CRUDE PETROLEUM IMPORTS

REF: ANKARA 9759

1. MOBIL REPRESENTATIVE FOR TURKEY (CASANOVA) INFORMED ECON/COMMERCIAL COUNSELOR RESULTS OF HIS MEETING DECEMBER 18 WITH MINISTER FOR ENERGY AND NATURAL RESOURCES, ISIL, REGARDING CRUDE OIL IMPORT PRICING POLICY. CASANOVA POINTED OUT TO MINISTER THAT PRICE IMPOSED ON IMPORTS BY TWO FOREIGN-OWNED IMPORTERS (BP AND MOBIL) IS FOR CERTAIN PERIODS BELOW EVEN PRICES PAID BY STATE-OWNED COMPANY (TPAO). MOREOVER, COMPANIES CANNOT BE EXPECTED OBTAIN THROUGH COMMERCIAL CHANNELS CRUDE OIL AT PRICES THAT MAY APPLY TO TPAO IMPORTS UNDER SPECIAL ARRANGEMENTS WORKED OUT BY GOT WITH SUPPLIER COUNTRIES, WHERE OTHER CONSIDERATIONS MAY ALSO BE INVOLVED. ISIL APPEARED GENUINELY SURPRISED AND EMBARRASSED BY FACTS PUT FORTH BY MOBIL REPRESENTATIVE AND PROMISED LOOK INTO MATTER AT ONCE. (AS BACKGROUND, CASANOVA HAD CALLED ON ISIL EARLY IN

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ANKARA 09808 191623Z

DECEMBER TO DISCUSS PRICING PROBLEM AND LEFT MEMORANDUM GIVING

FULL DETAILS, WHICH ISIL THEN PROMISED TO CONSIDER CAREFULLY.)
ISIL EXPLAINED TO CASANOVA THAT DECREE ISSUED ON DECEMBER 17
HAD BEEN PREPARED UNDER PREVIOUS GOVERNMENT, AND COUNCIL OF
MINISTERS APPROVED IT WITHOUT REAMINING BASIS FOR ESTABLISH-
ING PRICES. ISIL SAID FOR POLITICAL REASONS PRESENT GOVERNMENT
CANNOT RPT NOT CANCEL DECREE OR CHANGE IT NOW THAT IT HAS BEEN
ISSUED. HOWEVER, HE PROMISED TO LOOK INTO MATTER AND SEE WHAT
CAN BE DONE TO CORRECT MATTER AS SOON AS POSSIBLE.

2. CASANOVA GOT IMPRESSION MINISTER WOULD, EFFECTIVE JANUARY 1,
1975, ESTABLISH NEW PRICE CLOSER TO PRICE OF APPROXIMATELY
\$11.75 CLAIMED BY COMPANIES (TO REPLACE CURRENT PRICE OF
\$10.095 RPT \$10.095 ESTABLISHED BY GOT WITH EFFECT FROM
OCTOBER 10). FYI-- HE REPORTED THAT MOBIL AND BP ARE CALLING
SITUATION TO ATTENTION OF INFLUENTIAL FRIENDS IN TURKEY WITH HOPE
THEY WILL ENCOURAGE PRESENT GOVERNMENT TO RECTIFY SITUATION.
END FYI. ECON/COMMERCIAL COUNSELOR ASSURED MOBIL
REPRESENTATIVE OF EMBASSY'S READINESS TO HELP COMPANY IN ANY
APPROPRIATE WAY TO GET EQUITABLE PRICE ESTABLISHED. CASANOVA
FELT THAT FURTHER EFFORT BY EMBASSY WOULD DEFINITELY BE HELPFUL,
BUT HE STRESSED THAT IT SHOULD BE INFORMAL AT THIS STAGE. IT
WAS SUBSEQUENTLY AGREED THAT AMBASSADOR AT EARLY SUITABLE
OPPORTUNITY WILL RAISE SUBJECT INFORMALLY WITH FOREIGN MINISTER
ESENBEL. AMBASSADOR PLANS INFORM MINISTER THAT INCONSISTENCIES
REGARDING IMPORT PRICES REMAIN AFTER ISSUANCE OF GOT DECREE AND
TO ASK MINISTER TO ENCOURAGE GOT TO REVIEW MATTER CAREFULLY
WITH VIEW TO CORRECTION OF ANY DISCREPANCY AS SOON AS POSSIBLE.
MACOMBER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, PETROLEUM, PRICES, PRICE CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ANKARA09808
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740369-0745
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741224/aaaaatwk.tel
Line Count: 89
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 74 ANKARA 9759
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 26 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 JUN 2002 by boyleja>; APPROVED <26 MAR 2003 by ElyME>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TURKISH PRICE FOR CRUDE PETROLEUM IMPORTS
TAGS: BGEN, ENRG, TU, MOBIL OIL CO, BRITISH PETROLEUM CO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005